

2021 Budget Presentation

WESTCHESTER COUNTY CLERK



Timothy C. Idoni
Westchester County Clerk



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November 16, 2020

Dear Honorable Budget Committee Members:

The Office of the Westchester County Clerk is proud to present another lean budget. The budget once again reduces expenses while maintaining all critical services. The budget includes conservative revenue estimates that are based on current market indicators. Our spending estimates reflect an effort to hold flat or cut spending within our control to offset increasing salary costs and interdepartmental charges. Some highlights include:

- Our 2021 revenue is projected at \$8,500,854 while 2021 expenses are projected at \$6,649,679, resulting in a departmental levy of *negative* \$1,851,175.
- Our staff remains very lean as our overall staffing has been reduced consistently since I took office. Three (3) vacant position cuts are proposed for 2021, resulting in a cumulative reduction in staffing of approximately 42%, from 110 to 64.
- We continue to be a national leader in the provision of electronic services to the legal and land records industries. During these extraordinary times when travel has been restricted, we have been able to continue our high levels of services through electronic filing and recording and the delivery of safely provided in-house services through adroit scheduling and safety precautions to those who must visit the office in person. We are extremely proud of the dedication and professionalism of our staff through the past seven months to maintain these high levels of services.

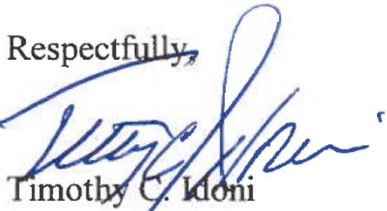
A brief analysis follows as to important service indicators:

- Due to a severe slump in real estate sales in the second quarter of the year, deeds are slightly down for the year but are rising fast toward year-end as New York City residents have begun to migrate into our market. The staff have reacted well and are keeping up with the upswing daily. Mortgages are anticipated to be up 25.7% by year's end.
- Due to legislative restrictions, foreclosure filings are down 60.3% this year, while judgments are down 68.5%. This is also reflective of the suspension of foreclosure proceedings for almost five (5) months.
- Tax certioraris are down a modest 8.5%.
- Small Claims Assessment Reviews, which impact municipal property tax assessment on the residential side, have stayed in the normal range with a modest 2.1% reduction.
- In our Licensing Division, which through smart scheduling and a major rearrangement of our office layout, we were able to keep our services at one hundred percent (100%). But customer interest dropped precipitously. Passport applications are down almost sixty-nine percent (68.7%). Naturalization services were cancelled for the year in March with only 358 new citizens sworn in, a reduction of just over eighty-six percent (86.3%).

Very early on during the pandemic the office implemented an aggressive teleworking program, a strategic separation of staff seating, a comprehensive COVID-19 plan including Plexiglas installation, and had twenty-eight (28) staff members take the contact tracing seven (7) hour program to be used as back-ups for the county program if necessary. To date, not one staff member has fallen victim to the virus.

In conclusion, despite a very tough year, our office has continued to shine as a beacon of top class public service. We will continue to face the financial challenges all local governments face head on. We remain committed to improving our services while reducing costs to our residents.

Respectfully,



Timothy C. Itoni

Westchester County Clerk/ Clerk of the Supreme and County Courts

Services Provided by the Office of the County Clerk

Land Records Division

- Recording land records, including deeds, mortgages, assignments, and satisfactions
- Collection and processing of New York State mortgage and transfer taxes
- Filing of maps, UCC statements, Federal tax liens, Notices of Common Charges, and other federal liens

Legal Division

- Fee collection and filing of court records for Supreme and Westchester County courts
- Administration of Notary Public and Commissioner of Deeds licenses
- Administration of the Domestic Partnership Registry
- Filing of Business Certificates and Incorporation records from New York State
- Filing of Small Claims Assessment Review petitions
- Filing of Veterans Military Discharge papers

Licensing Division

- Processing of United States Passport applications
- Administration of Pistol Licenses
- Issuance of Westchester County Identification Cards
- Host and Administration of Oath of Allegiance to newly naturalized United States citizens
- Operation of Mobile Passport Office to bring services to municipalities and events throughout the County

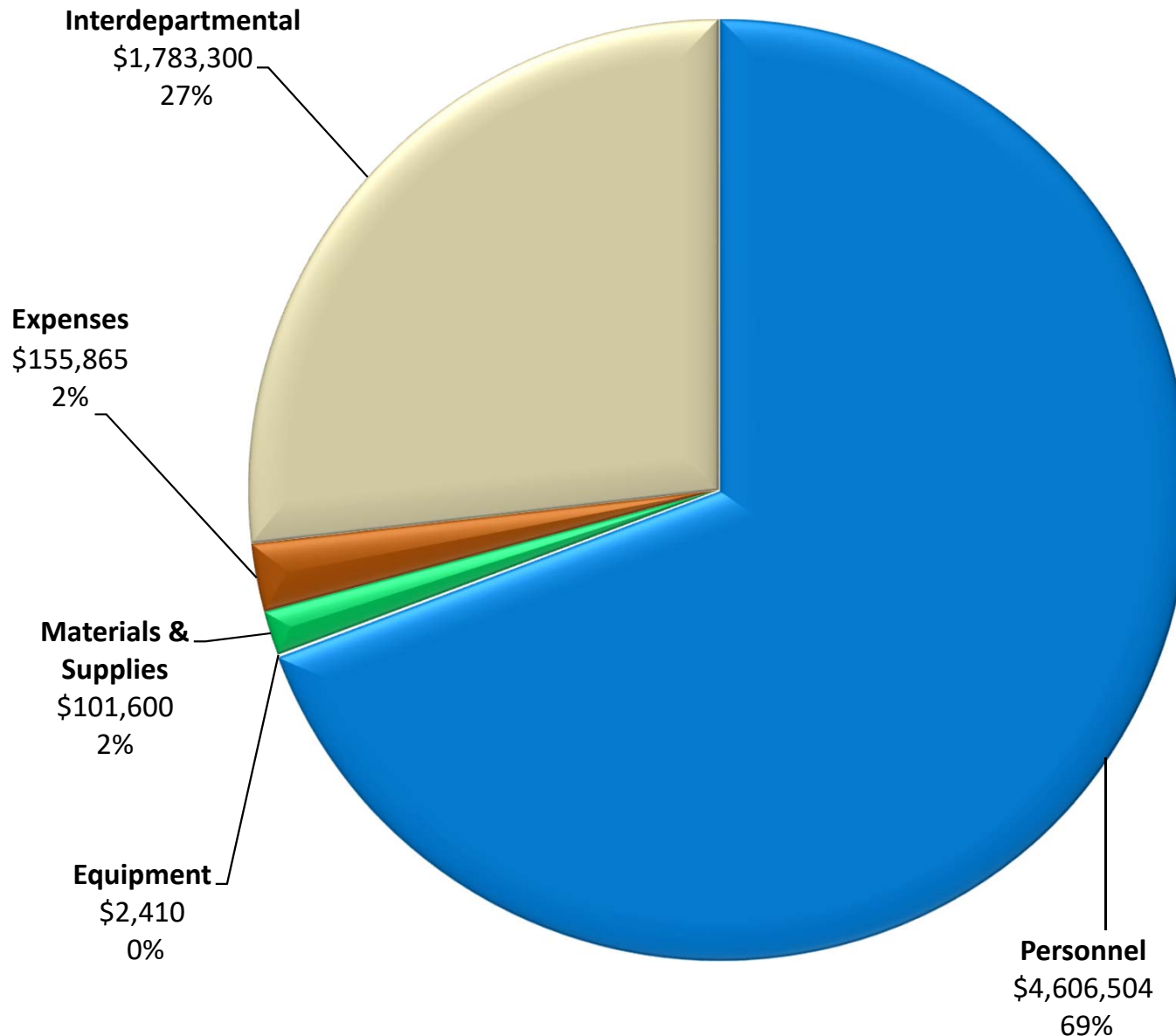
Administration

- Subscription Service for WRO access to land and legal records, foreclosure lists, judgments, and other records
- Financial Reporting to partners in federal, state and county government
- Administering and Filing of Oaths of Office
- Provision of certified copies of all recordings and filings

Highlights and Initiatives

- **COVID-19 Initiatives:** In accordance with the Governor's guidelines for Reopening New York, the County Clerk's office developed a plan for adherence to and the provision for safety of our staff and the general public. In facing the challenges of maintaining administrative efficiency and effectiveness while handling all public interaction with the Supreme and County courts, the county's entire real estate transactional business and licensing-type functions of pistols, passports and business licenses, changes were made to the Office physical layout to allow for distancing of six feet between each staffer; and to ensure distancing between staffers and the public, the passport counter was moved to the Land Records division and Plexiglas shields were installed at all public counters; the telework program was implemented allowing approximately two-thirds of the Land Records Division to process real estate transactions through our Property Records Electronic Portal (PREP) system; appointments through the County Clerk's scheduling software program are requested of visitors, and a locked dropbox was placed in the courthouse lobby for document delivery other than USPS, FedEx, and UPS.
- **Commission Appointment:** In June, 2020, Chief Judge Janet DiFiore appointed the County Clerk to a new commission charged with examining the enhanced use of technology and online platforms, and other innovations, to improve the delivery and quality of justice services by the New York State court system. The County Clerk joins a distinguished group of judges, lawyers, academics and technology experts, as a member of the "Commission to Reimagine the Future of New York's Courts", in the exploration and recommendation of regulatory, structural, and technological innovations in the Commission's development of a blueprint for the court system of tomorrow.
- **Notice of Conveyance of Residential Real Property:** Due to the rise in real estate and mortgage fraud, NYS Real Property Law Section 291 was amended, effective March 11, 2020, requiring the County Clerk, upon the recording of a conveyance of residential real property, to mail a notice of any such conveyance to the owner of record. The intent is to prevent others from posing as new owners of a home with the ability to obtain a home equity line of credit. The County Clerk has alerted the public to this new law and continues to mail notices to the record owners of the real property with details of the recording of any such conveyance.
- **E-Filing and E-recording:** Approximately 83% of civil actions are commenced electronically through the NYS electronic filing system and approximately 83% of the land record documents are currently e-recorded. Electronic recording has been a tremendous success, significantly increasing the efficiency of the filing and recording and reducing manual labor. Programs and procedures are now being developed in coordination with the DA's Office and the courts to allow for e-filing of criminal cases which could lead to an additional estimated 5% reduction in paper. Further reduction in paper filings is anticipated with the recent authorization of e-filing of election law cases and special proceedings under the Mental Hygiene Law.
- **Renovation in Office Space:** Plans are being redeveloped under the leadership of the County Executive and DPWTR for the complete renovation of the 32,000 square feet of office space currently occupied by the Clerk's office. With the automation of department functions and the resultant reduction in staffing needs, space may be opened up for adaptive reuse by another County department. This will bring about efficiency in dealing with the daily visitors to the office and also generate savings in rental costs for the County.
- **Mobile Community Outreach Vehicle:** The County Clerk's office has been running a very successful Community Outreach program featuring a custom built truck throughout Westchester since 2002. The program features 35-40 stops per year to every town and city in the county. Over 1,000 passport applications and photos are processed through the mobile office on an annual basis. Due to a significant increase in public usage of the mobile office services, the County Clerk increased the number of passport agents working in the outreach unit from 2 in 2018 to 4 in 2019, serving an average of 40 residents per visit. A new more efficient and ADA compliant vehicle has been purchased which is expected to be in operation for the 2021 mobile office community outreach cycle.
- **Access to the County Clerk's Land and Legal Public Viewer - Westchester Records Online ("WRO"):** In an effort to assist the municipalities in meeting the needs of their constituents and in preventing neighborhood blight, the County Clerk requested and received approval to enter into no cost license agreements with local municipalities, on an as needed basis, for remote access to WRO. The municipalities have free remote online access to weekly foreclosure reports in the WRO that contain data from recently commenced actions including the mortgage, mortgagee, property location, and a reference to the pending court action.

2021 Projected Expenses at \$6,649,679



2021 Expenses

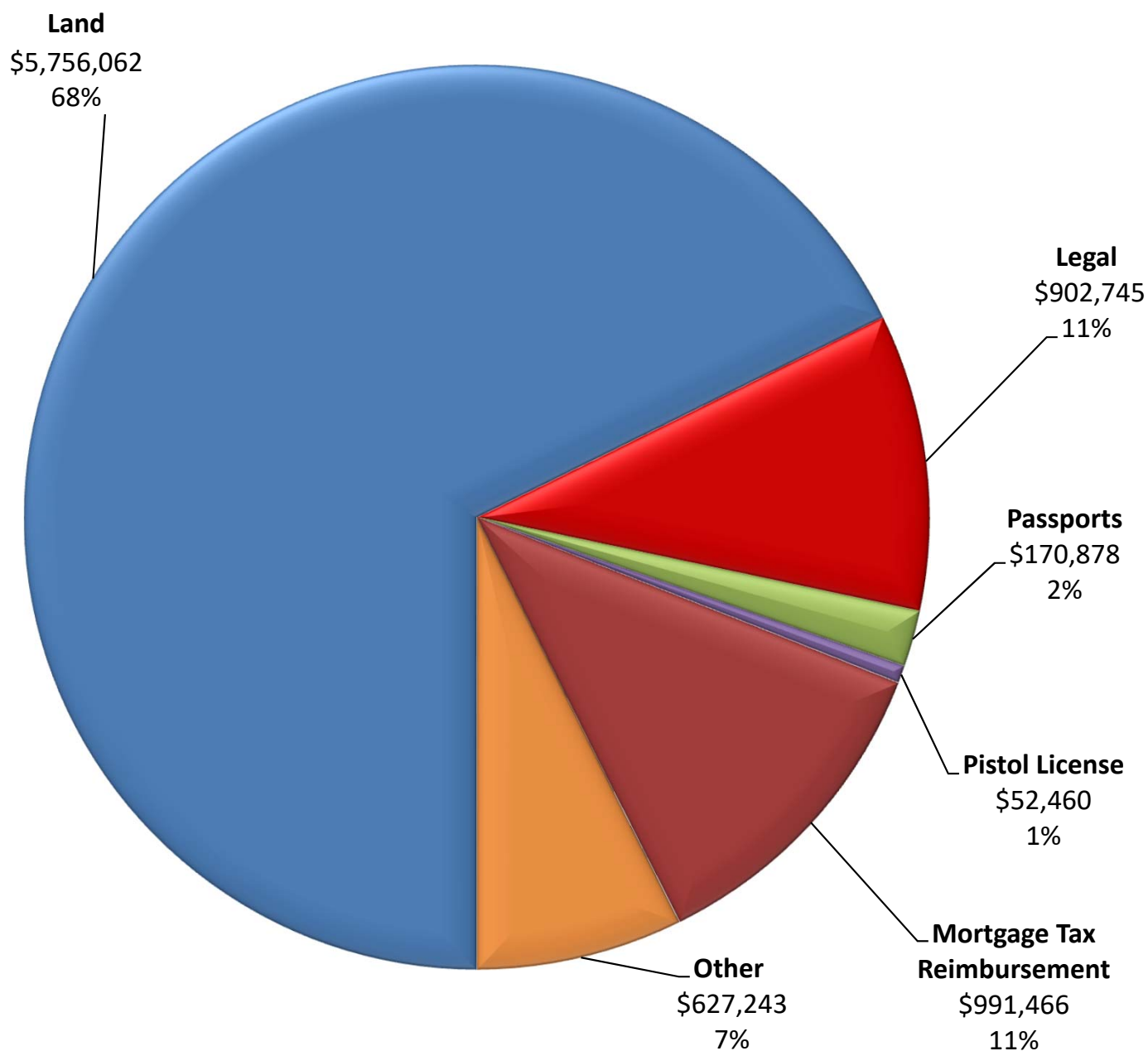
Our largest expenses, by far, are our personnel costs which represent 69% of our proposed expenses for 2021 and include salaries and overtime.

Interdepartmental charges represent the next largest portion of our expense budget, with 27% of our budget funding items such as our DoIT support team, the Archives, DPWTR and the Law Department. Our general expenses, which make up 2% of our expense budget, include items such as scanning and equipment rental. Our materials and supplies budget continues to remain modest as our e-initiatives expand, coming in at 2% of our budget. Additional and replacement equipment continue to make up less than 1% of our budgeted expenses.

2021 Revenue Projected at \$8,500,854

2021 Revenue

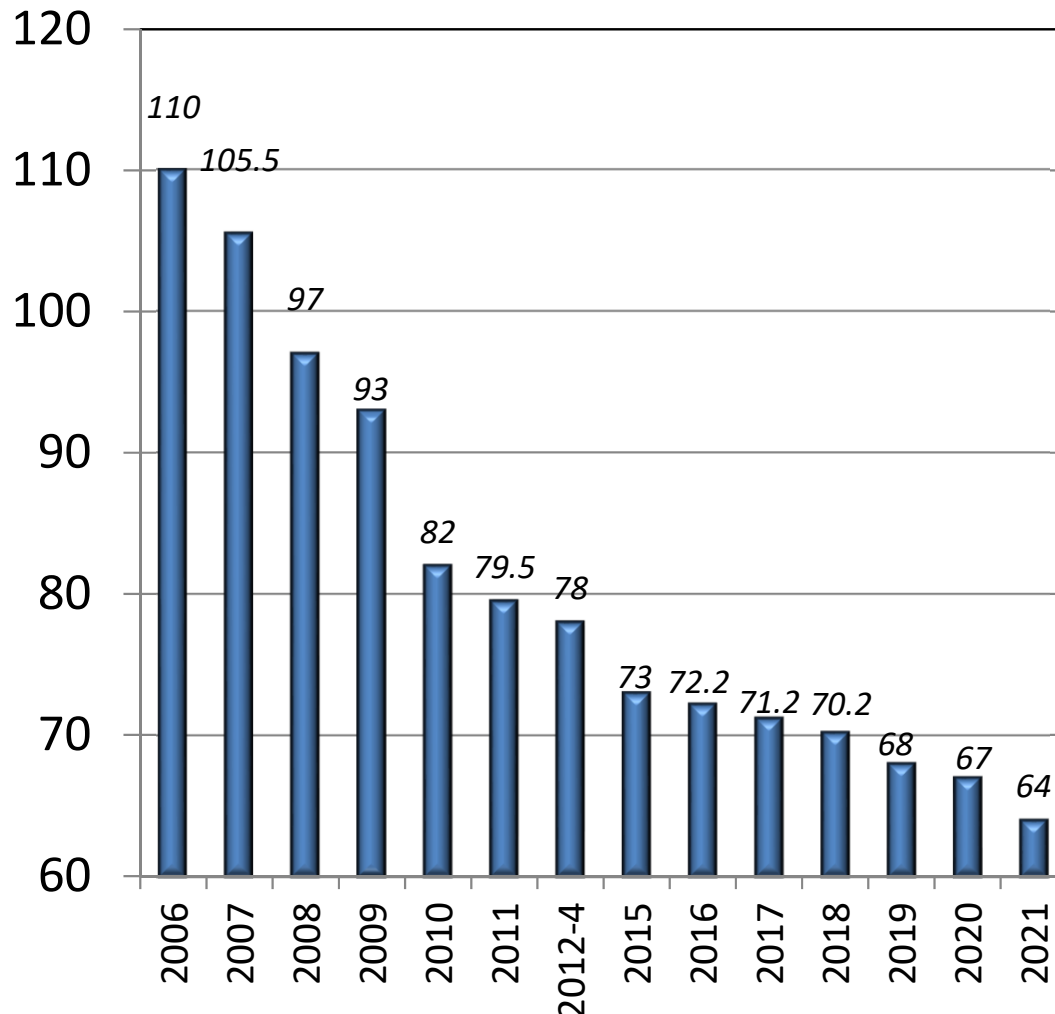
Fees paid in connection with the recording of land records such as deeds and mortgages make up the majority (68%) of our revenue. Court and legal fees provide an additional 11% of the revenue collected by our office. New York State reimburses us for expenses in connection with the processing of mortgage tax and this accounts for 11% of our revenue. Passports and pistol licenses make up 3%. The remaining 7% is comprised of equalization and assessment fees, interest income, table rentals, online access to records, transfer tax revenue, public copier and overpayment of fees.



Reductions in Staffing

Overall Staffing Reduced by 42% since 2006

Number of Employees*



**Chart includes operating, grant, temporary and hourly employees*

Positions Eliminated:

26 Operating Positions Eliminated:

- Assistant Deputy County Clerk
- Chief Deputy County Clerk
- Budget Specialist III/Services Supervisor
- 3 Staff Assistants
- 8 Clerks (County Clerk)
- 6 Senior Clerk (County Clerk)
- Secretary I
- 2 Senior Messengers
- Director Program Development II (Trades Licensing)
- 2 Second Deputy County Clerk

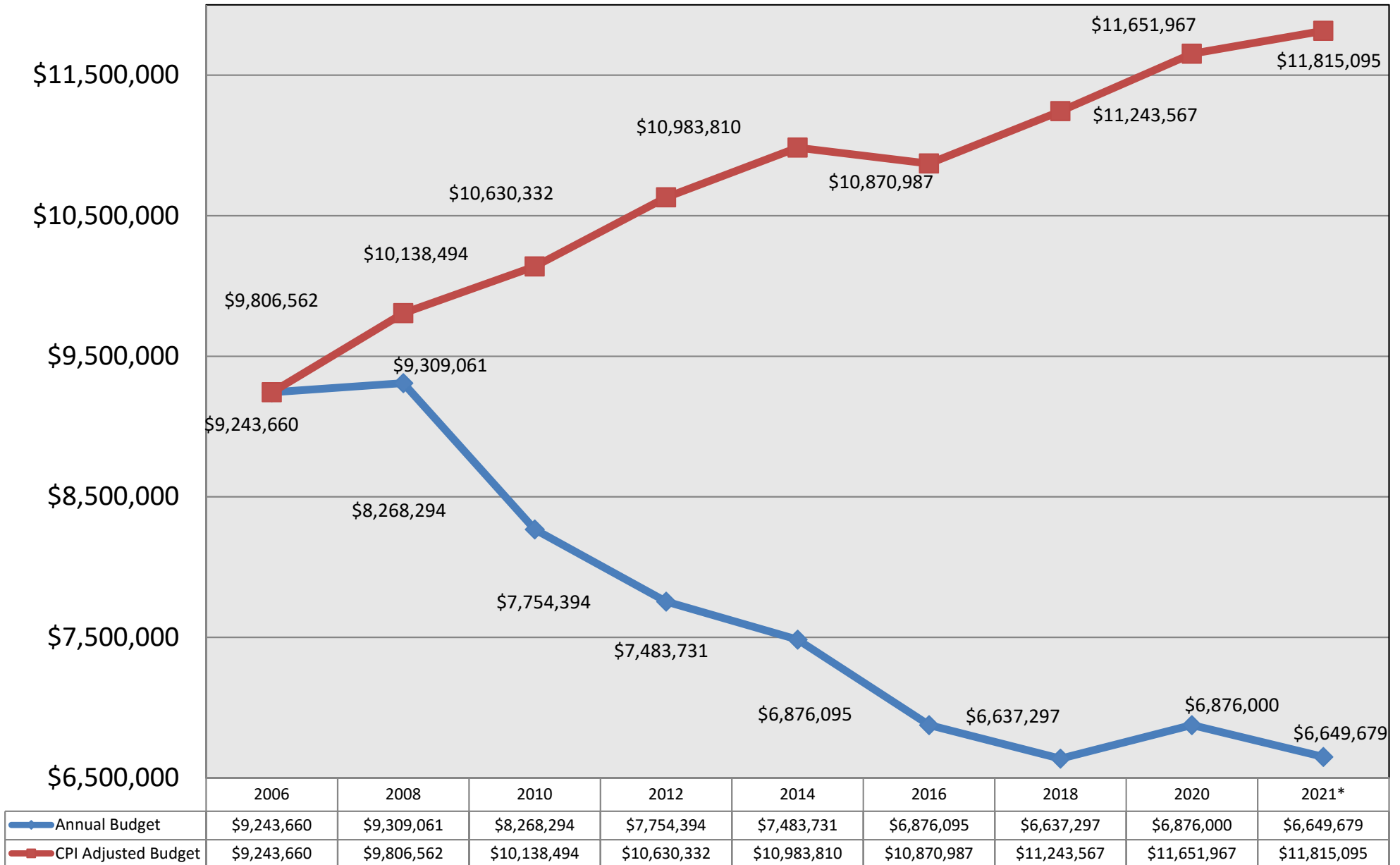
2 Grant Positions Eliminated:

- Senior Messenger
- Messenger

18 Full-Time Temporary Positions Eliminated

Expense Reduction

Annual Budget vs. Budget Adjusted for Consumer Price Index (CPI)



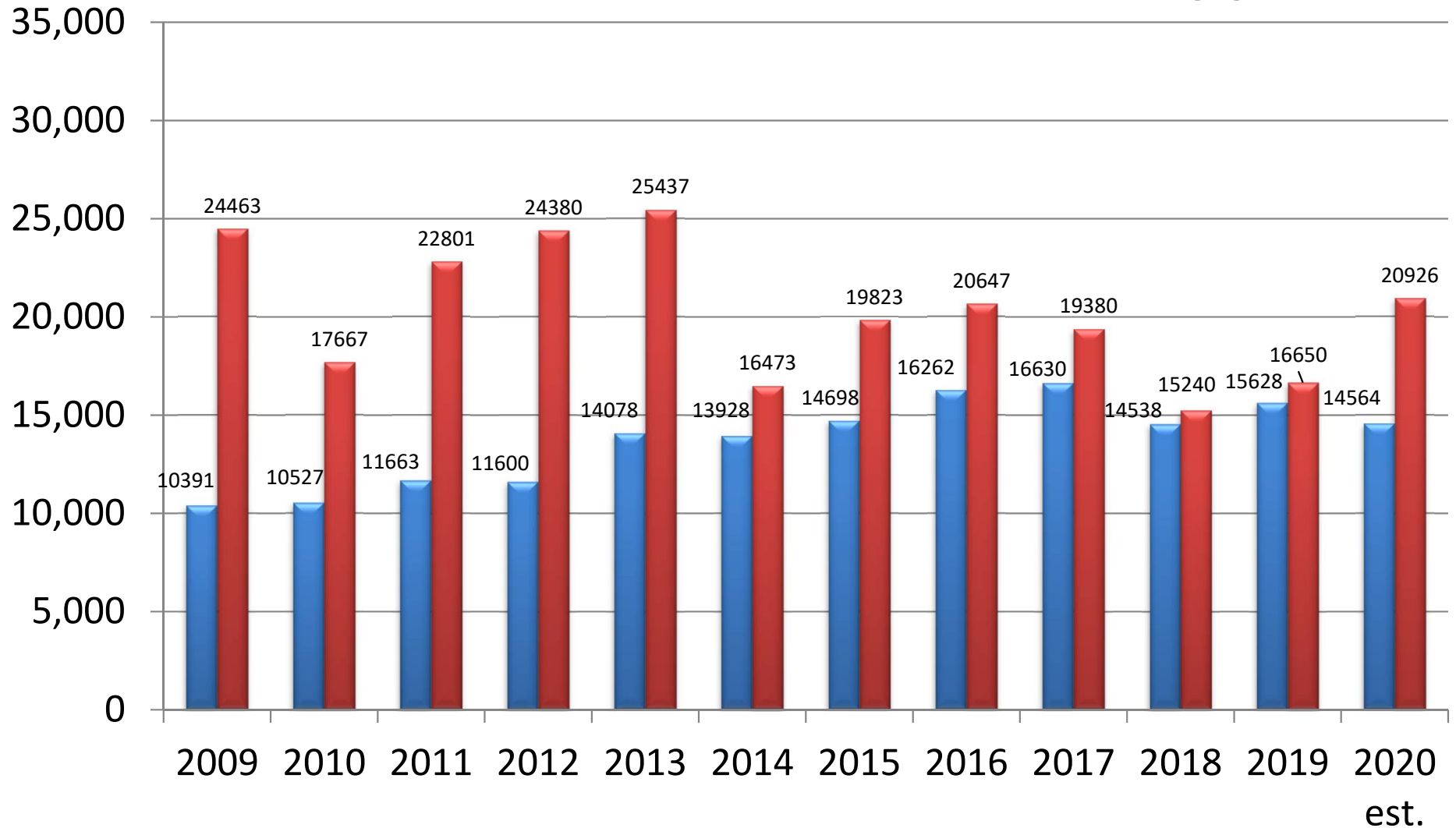
*CPI Adjusted Budget for 2021 Proposed Expenses was adjusted through September 30, 2020.

Statistics of Interest

Indicators from our Land Records Division

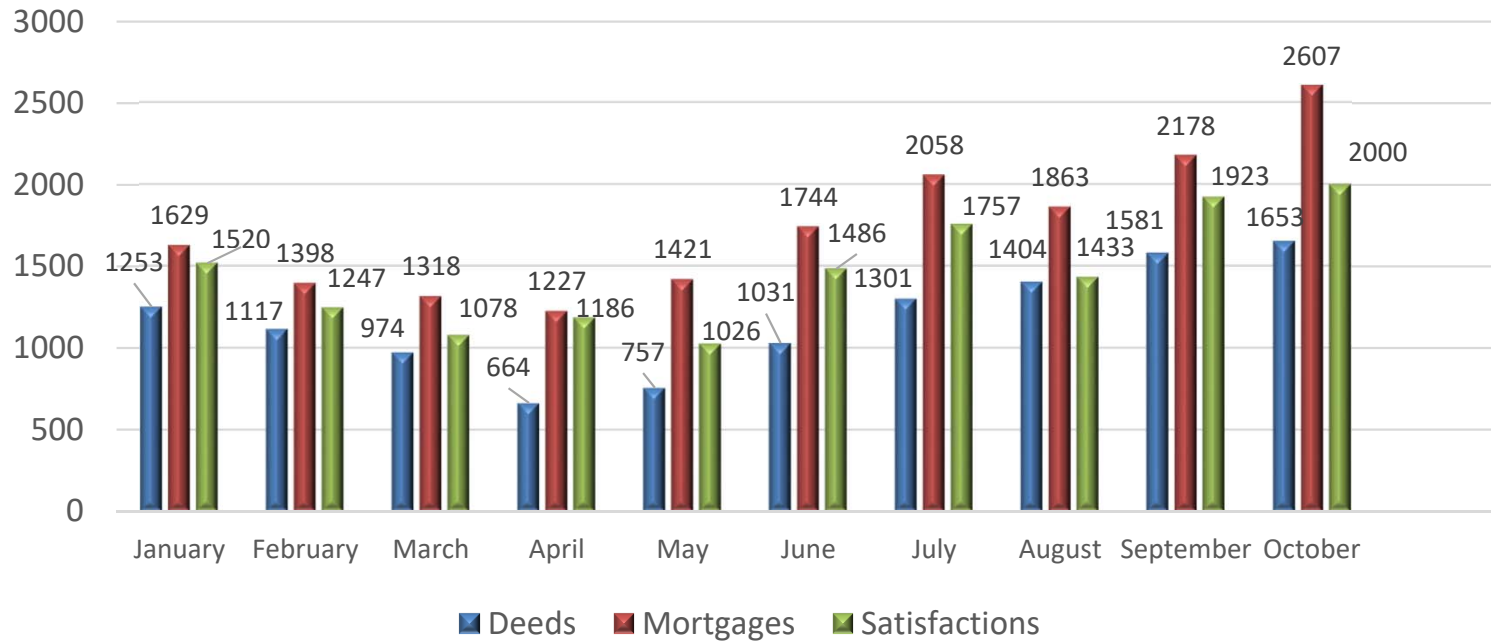
Deeds and Mortgages Recorded

■ Deeds
■ Mortgages

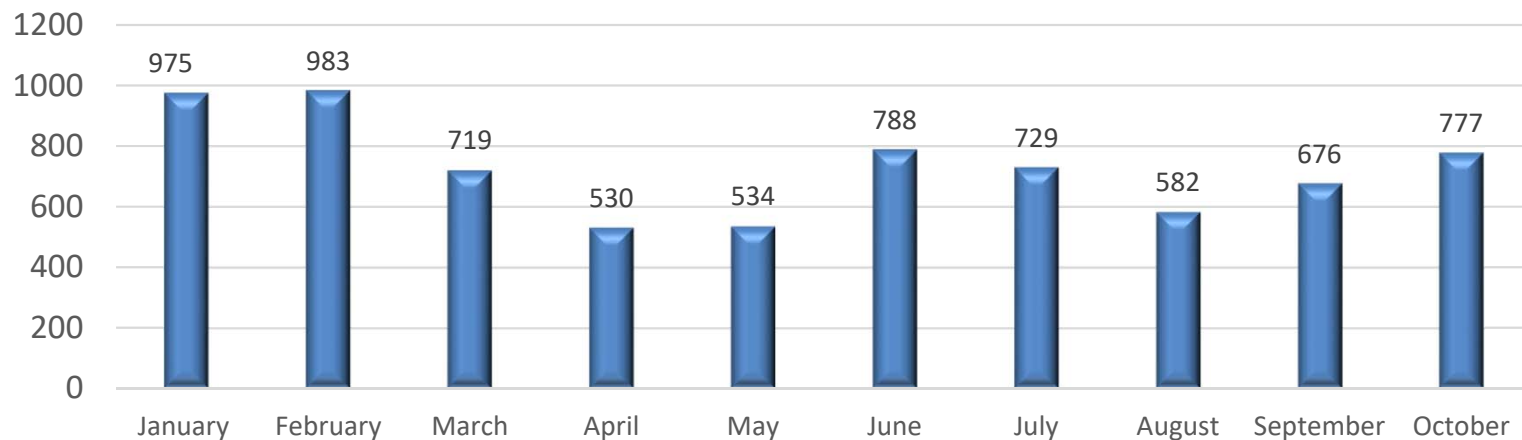


2020 Statistics of Interest *Indicators from our Land Division*

Deeds, Mortgages, and Satisfactions



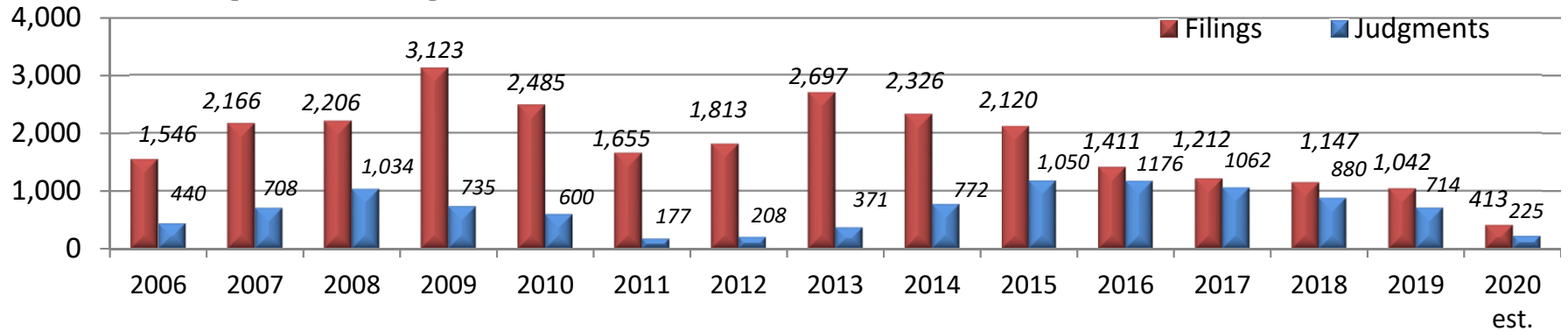
UCC liens, Federal Tax Liens, Notices of Common Charges



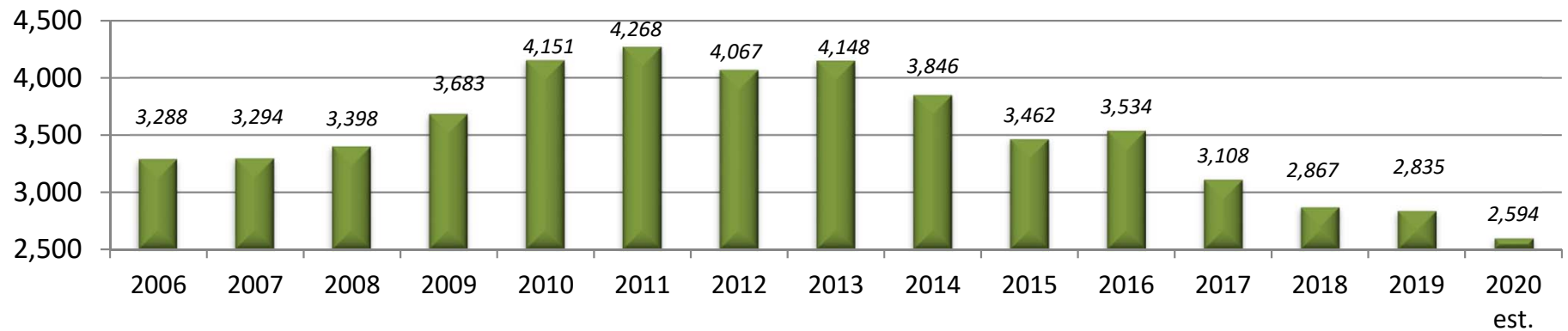
Statistics of Interest

Indicators from our Legal Division

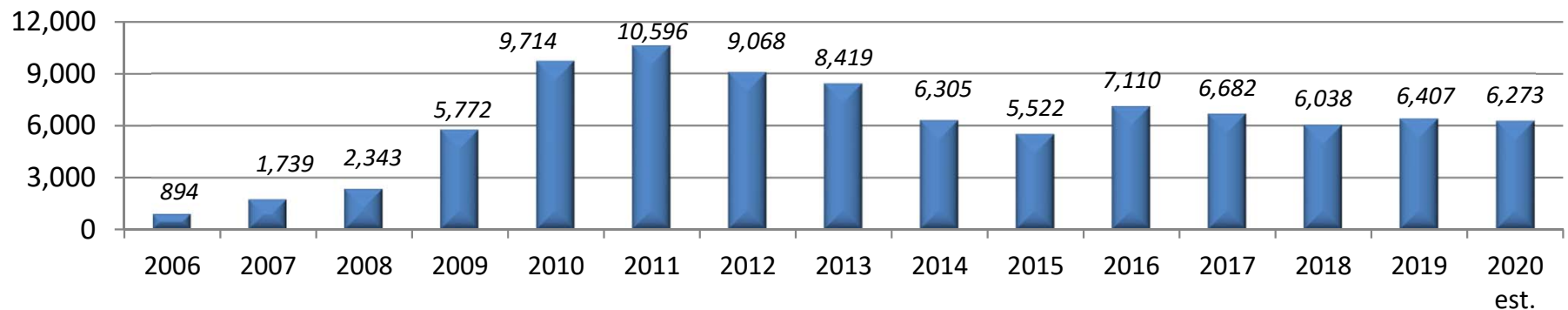
Foreclosure Filings and Judgments



Tax Certiorari Proceedings Commenced

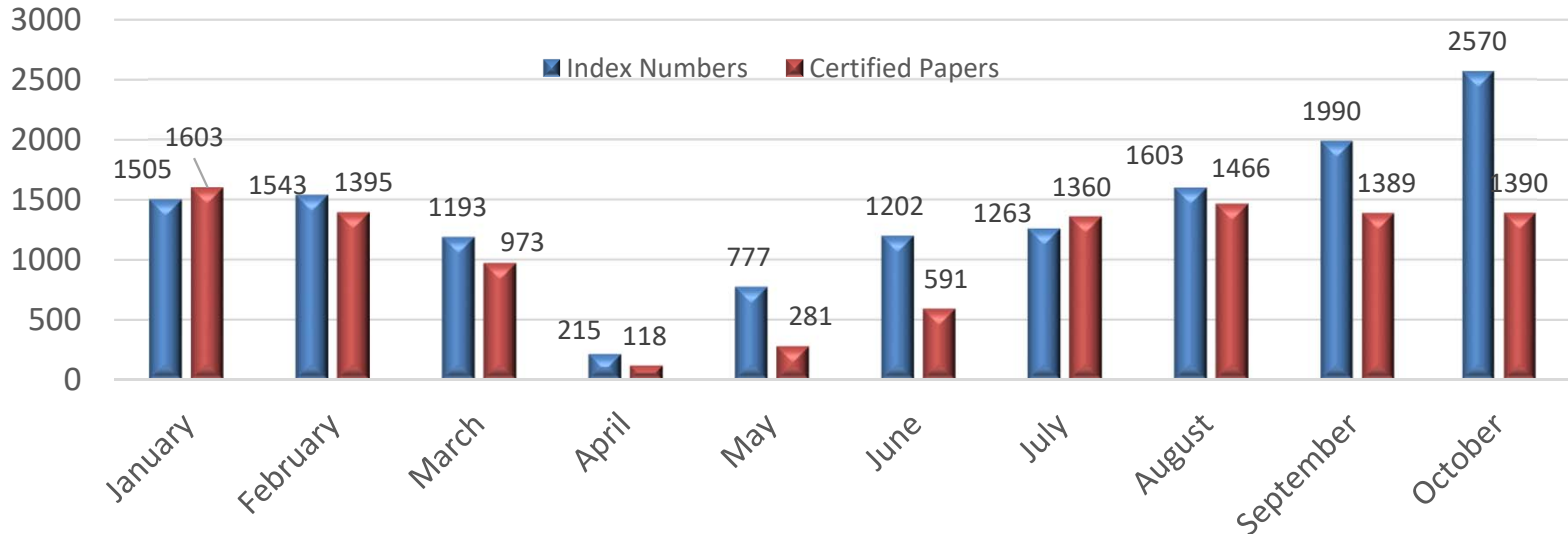


Small Claims Assessment Review Petitions Filed

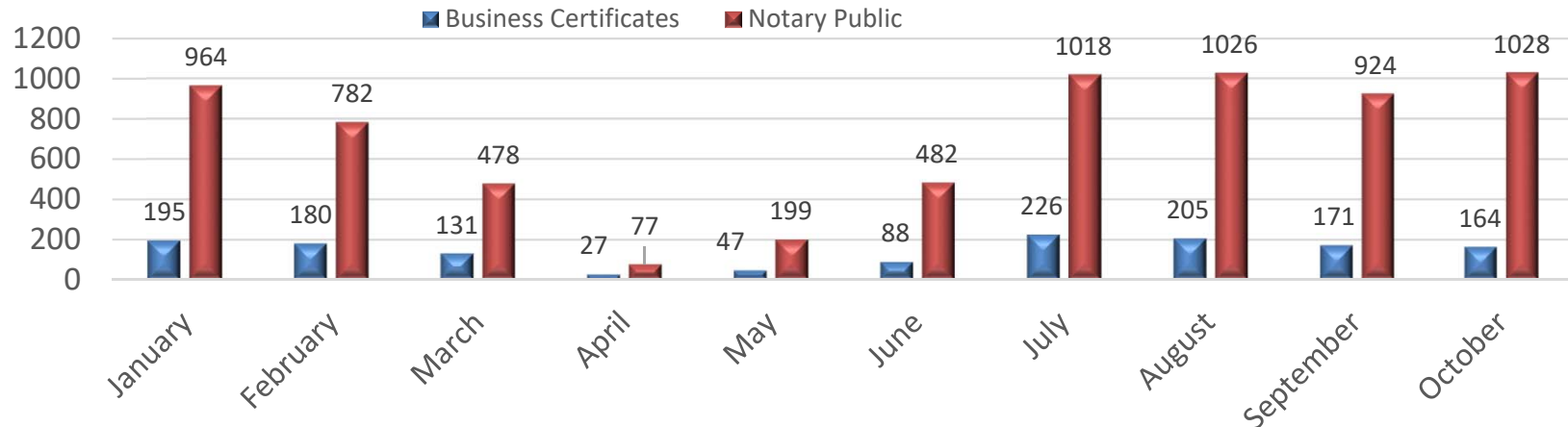


2020 Statistics of Interest *Indicators from our Legal Division*

Index Numbers and Certified Papers

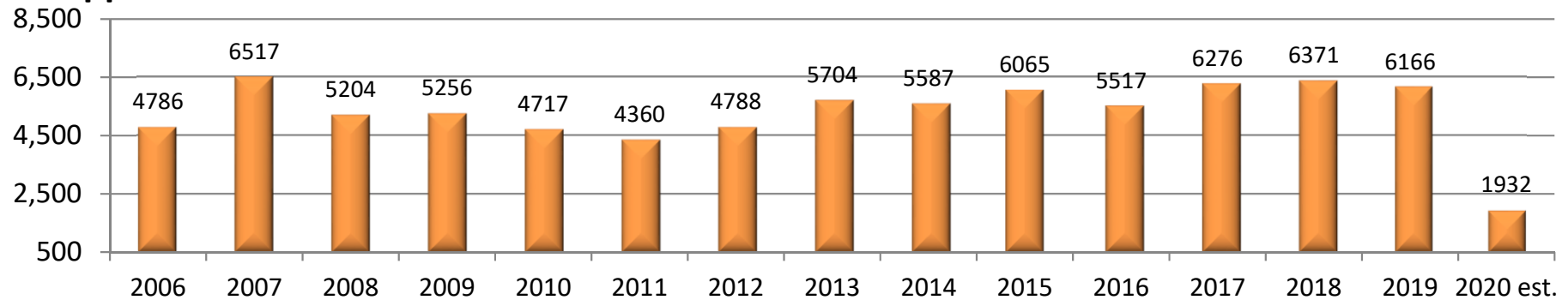


Business Certificates and Notary Public Administration

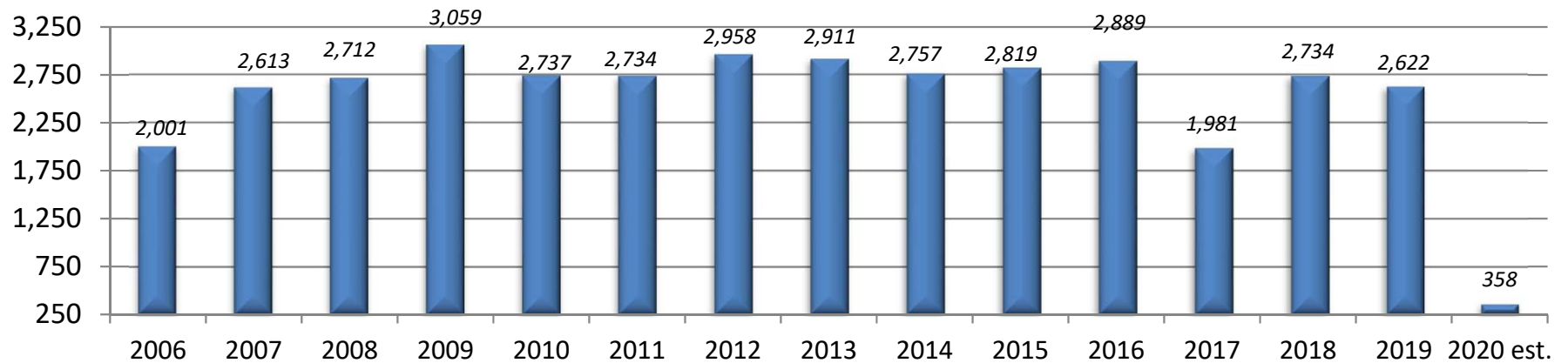


Statistics of Interest *Indicators from our Licensing Division*

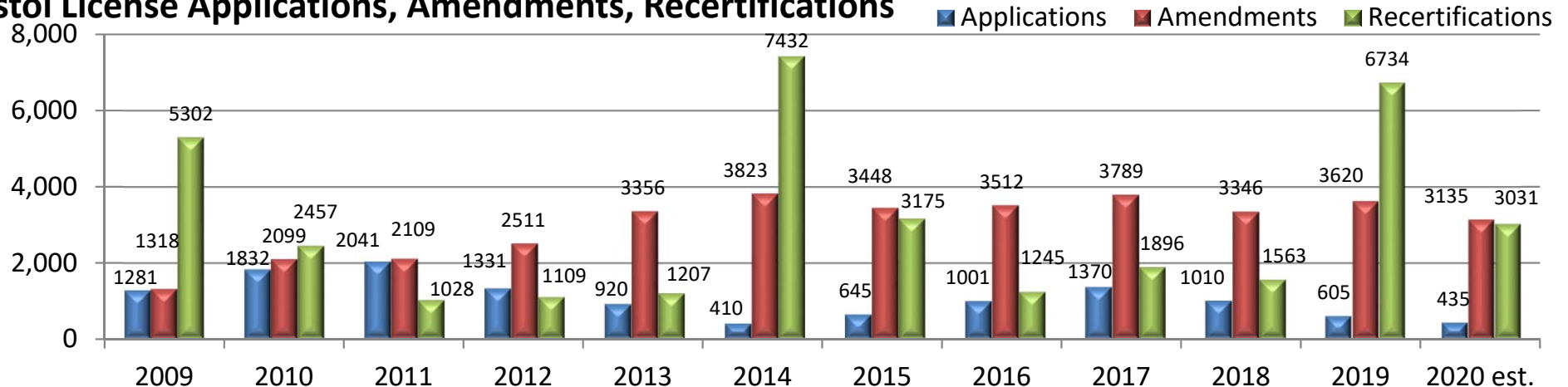
Passport Applications



Naturalizations

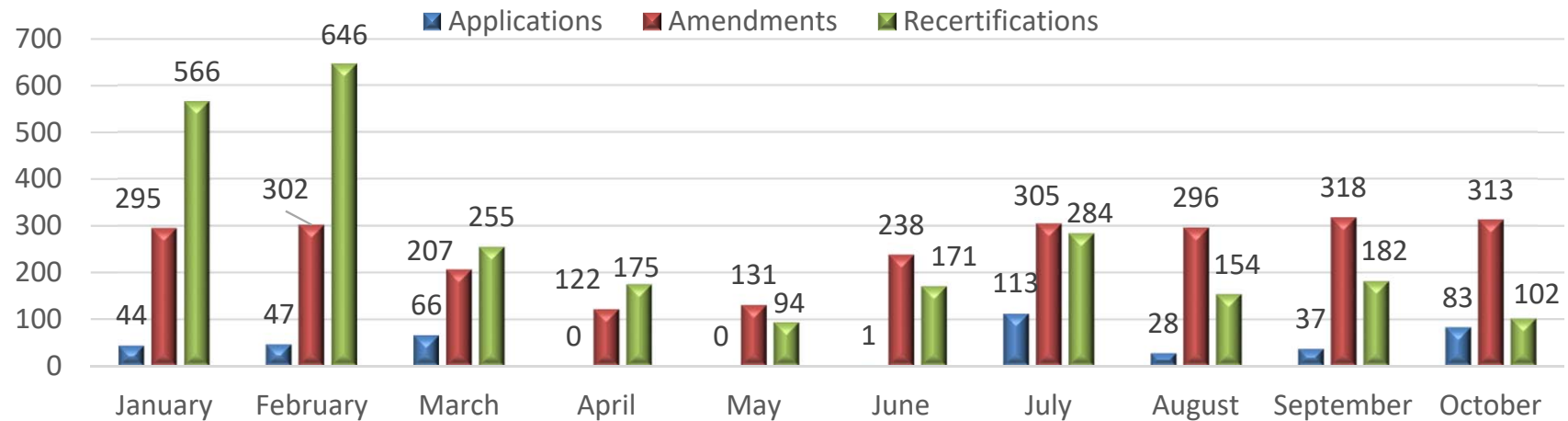


Pistol License Applications, Amendments, Recertifications

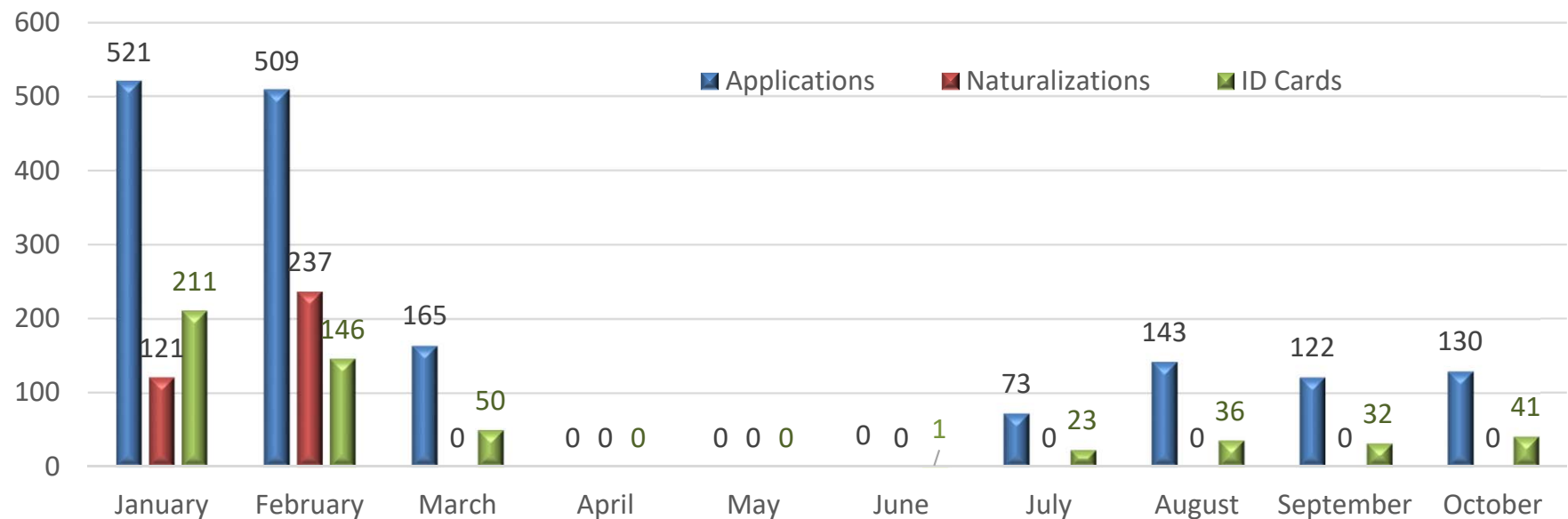


2020 Statistics of Interest *Indicators from our Licensing Division*

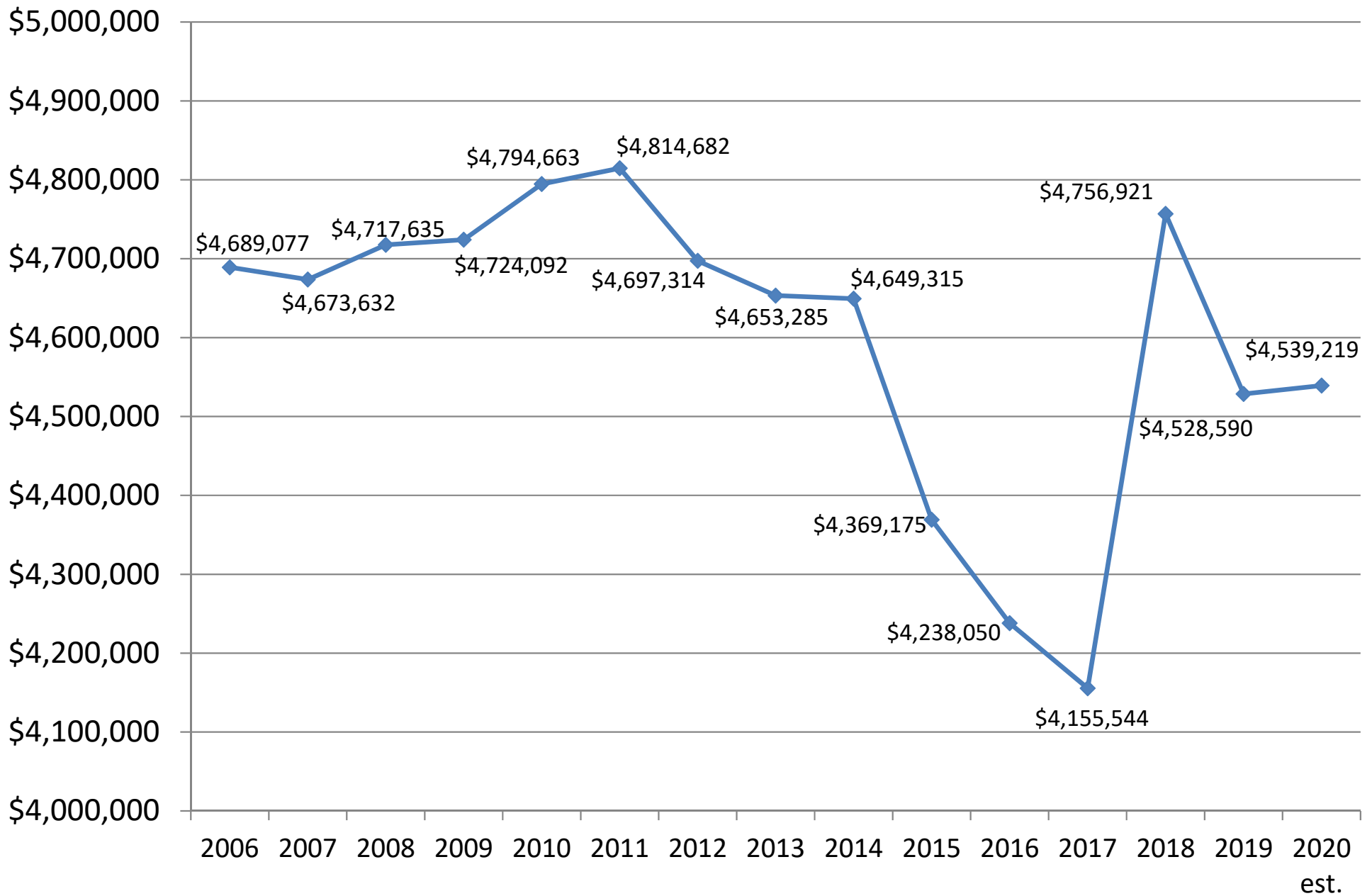
Pistol License Applications, Amendments, and Recertifications



Passport Applications, Naturalizations, and ID Cards

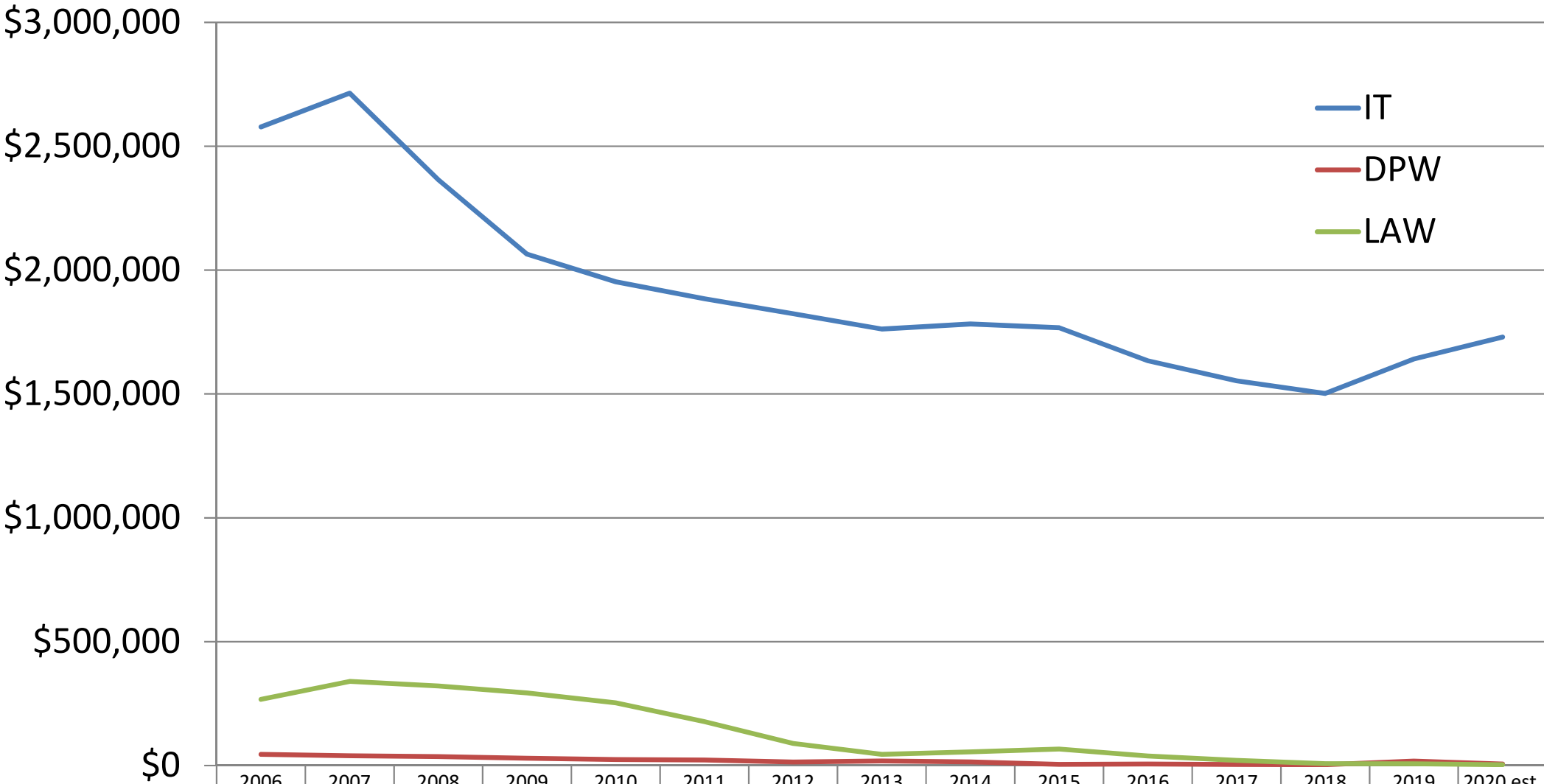


Salaries & Personal Services



*In accordance with the terms of the 2018 CSEA Contract, the salary expense increased in 2018 and thereafter to cover retroactive payments and the negotiated increase in salary of 2% in 2018 and 2019, and 2.25% in 2020 and 2021.

Inter-Departmental Charges

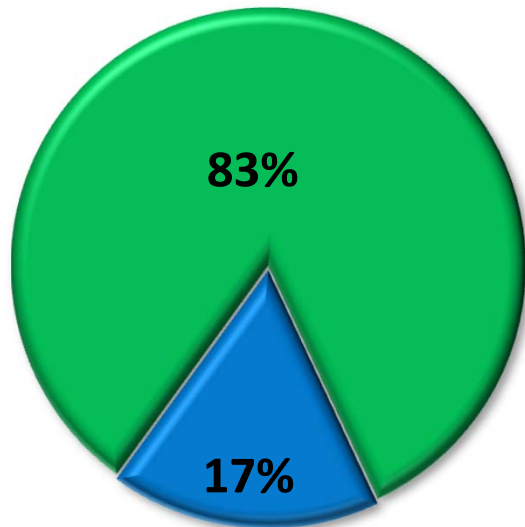


* IT charges include information systems support, telecommunications, data processing, and the records center

Electronic Filing and Recording

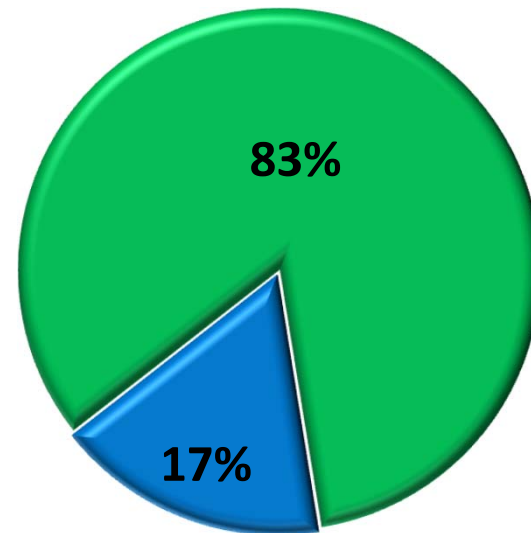
Civil Actions

Approximately **83%** of our civil actions are commenced electronically through the NYS Courts electronic filing system.



Land Records

Approximately **83%** of the documents submitted to the Land Records Division are submitted electronically as part of a **voluntary** eRecording program.



County Clerk's Westchester Records Online Program ("WRO").

For the period of 1/1/20 to 10/31/20, **2,901,681** searches were conducted in WRO. Online reports of foreclosure filings and judgments have been made available to local municipalities as a "shared service" to assist in preventing zombie homes.

OFFICE OF THE COUNTY CLERK

2021 Executive Proposed Budget

Services Provided by the Office of the County Clerk

Land Records Division

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- Financial Reporting to partners in federal, state and county government
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- Provision of certified copies of all recordings and filings

Office of the Westchester County Clerk

Total Funds Collected and Distributed for Fiscal Year Ending December 31, 2020 (as of October 31, 2020)

County Clerk Fees Collected		
Land Records Division		
Recording Fees	\$5,164,305.75	
Real Property Transfer Report Fee	\$105,597.00	
Administrative Fee, Refund Processing	\$3,113.95	
Legal Division		
Filing Fees	\$638,087.72	
DWI Surcharges	\$50,645.00	
Criminal Fines	\$29,195.00	
Licensing Division		
Filing Fees	\$128,131.08	
Interest	\$4,353.96	
Other (online access, copiers, workstation/phone, unclaimed funds)	\$376,545.65	\$6,499,975.11
Mortgage Tax Collected		
Paid to Westchester County		
Westchester County Mortgage Tax	\$17,257,625.34	
Local Mortgage Tax	\$46,183,045.40	
Yonkers Mortgage Tax	\$3,512,328.53	
Reimbursement for Processing Costs	\$826,221.09	
Interest, County Portion	\$15,111.40	
Paid to Metropolitan Transit Authority	\$36,864,231.14	
Paid to State of New York Mortgage Agency	\$2,311,681.73	\$106,970,244.63
New York State Real Estate Transfer Tax		
Paid to Westchester County		
Recording Officer's Fee	\$10,380.75	
Interest, County Portion	\$12,588.36	
Paid to the Department of Taxation and Finance	\$56,465,566.12	\$56,488,535.23
Court Revenue Paid to NYS Unified Court System	\$3,832,430.00	\$3,832,430.00
Notary Revenue Paid to NYS Department of State	65,440.00	\$65,440.00
Records Management Improvement Fund	\$366,752.25	\$366,752.25
Cultural Education Fund	\$1,100,228.25	1,100,228.25
Equalization and Assessment Paid to NYS Office of Real Property Services	\$1,476,028.00	\$1,476,028.00
Total Collected and Disbursed:		<u>\$176,799,633.47</u>

Budget Summary

ITEM	2020	2021
Operating Positions	67	64
Trust Positions	0	0
TOTAL POSITIONS	67	64
Personal Service	\$4,769,114	\$4,606,504
Equipment	\$4,979	\$2,410
Materials & Supplies	\$101,600	\$101,600
Contractual Expenses	\$241,621	\$155,865
Inter-Departmental Charges	\$1,758,686	\$1,783,300
TOTAL EXPENDITURES	\$6,876,000	\$6,649,679

Budget Summary

ITEM	2020	2021
Inter-Departmental Revenue	0	0
Departmental Revenue	\$8,387,425	\$8,500,854
State & Federal Aid	0	0
TOTAL REVENUE	\$8,387,425	\$8,500,854
DEPARTMENT TAX LEVY	(\$1,511,425)	(\$1,851,175)

New Initiatives & Highlights

- **COVID-19 Initiatives:** In accordance with the Governor's guidelines for Reopening New York, the County Clerk's office developed a plan for adherence to and the provision for safety of our staff and the general public. In facing the challenges of maintaining administrative efficiency and effectiveness while handling all public interaction with the Supreme and County courts, the county's entire real estate transactional business and licensing-type functions of pistols, passports and business licenses, changes were made to the Office physical layout to allow for distancing of six feet between each staffer; and to ensure distancing between staffers and the public, the passport counter was moved to the Land Records division and Plexiglas shields were installed at all public counters; the telework program was implemented allowing approximately two-thirds of the Land Records Division to process real estate transactions through our Property Records Electronic Portal (PREP) system; appointments through the County Clerk's scheduling software program are requested of visitors, and a locked dropbox was placed in the courthouse lobby for document delivery other than USPS, FedEx, and UPS.
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